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TODAY

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Appeals Court Tosses Out SEC Rule

Bank Group Wins Fight Against Registration

By NINA EASTON

WASHINGTON — A federal court of appeals on Tuesday ordered a lower court to throw out the Securities and Exchange Commission's Rule 3b-9, the controversial requirement that banks place their securities activities in SEC-registered subsidiaries.

A three-judge panel of the U.S. Court of Appeals for the D.C. Circuit concluded that the American Bankers Association, which brought the suit, was correct in arguing that the SEC had overstepped its authority. The court ordered the U.S. district court, which had sided with the SEC, to reverse its decision and "to declare Rule 3b-9 unlawful."

SEC officials said the commission has not decided whether to appeal the decision, but they indicated that an appeal to either the Supreme Court or the full circuit court is likely.

The SEC had issued the rule out of concern that growing numbers of banks — which are not subject to the commission's investor protection oversight — were offering securities services to their customers.

Banks had objected to the rule because of the costs involved with SEC registration and because of concerns over the SEC extending its jurisdiction over banks, which are already heavily regulated by the banking agencies.

"Consumers won an important victory in the courtroom today," said Donald Ogilvie, ABA's executive vice president. "The decision ensures that bank customers will continue to enjoy the savings and convenience that discount brokerages provide."

Michael F. Crotty, who argued the

SEC: Page 23 ➡

Hostile Bid for BankAmerica Is One of Interstate's Options

Some Stockholders Might Be Receptive

This story was reported by Robert Luke in Los Angeles and by Andrew Albert and Bart Fraust in New York. It was written by Mr. Fraust.

First Interstate Bancorp, saying it is "reviewing its alternatives" after once again being rebuffed in its effort to acquire BankAmerica Corp., now must consider the option of a hostile tender offer.

Despite reports to the contrary, the Federal Reserve Board would not necessarily oppose a hostile takeover of BankAmerica, banking lawyers say. Strategic and financial considerations — including that First Interstate would be attempting to acquire BankAmerica without access to its books — may prove to be more of a deterrent to a hostile bid than legal and regulatory concerns.

A hostile bid, which is an offer opposed by the management of the target company, is one of First Interstate's options, and the company is reviewing that possibility, sources close to that company confirmed on Tuesday.

Meanwhile, some BankAmerica shareholders appeared to be growing increasingly receptive to a hostile bid by First Interstate following BankAmerica's request on Monday that First Interstate withdraw its $3.4 billion offer.

"Their [BankAmerica's] board members just seem to show they don't care

BankAmerica: Page 30 ➡

Visa USA Takes Over Management Of Interlink Point-of-Sale Network

By JEFFREY KUTLER

NEW YORK — Visa U.S.A. said Tuesday that it will take over management of the Interlink point-of-sale network in California, the largest and most ambitious electronic direct-debit system in the country.

Point-of-Sale

The move will help the major California banks that founded Interlink economize on electronic funds transfer expenditures. To Visa it brings expertise that could accelerate development of nationwide point-of-sale capability.

Since it began operating in June 1985, Interlink has relied on Visa's data center in San Mateo, Calif., for back-office data processing and communications support.

The network has signed 3,000 retail locations and handles about two million electronic debits a month. With the addition of terminals in major supermarkets and gasoline stations, officials predict that annual volume will approach 100 million in 1987, a level far above any other regional automated teller machine or point-of-sale network.

The four largest California banks — Bank of America, Security Pacific National Bank, First Interstate Bank, and Wells Fargo Bank — spent undisclosed millions of dollars to build and market Interlink. By throwing in their lot more closely with Visa, the California banks can reduce their financial exposure while the entire U.S. banking industry, through Visa, can share in their technical accomplishment.

"It is a win-win situation," said Rob-

Visa: Page 10 ➡

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FEATURE ◆ SECTION

PULL OUT AND SAVE

Business Financing

We focus here on business financing activities in the fastest growing metropolitan areas, the regions the U.S. Census Bureau says have registered the biggest population gains from 1980-1985.

Top Commercial Finance Companies *

In the Southeast and Southwest (a)

(Dollar Amounts in Thousands)

	Net Receivables 12/31/86	12/31/85
SOUTHEAST		
Barclays American Corp., Charlotte, N.C.	3,145,501	2,793,216
Blazer Financial Services, Inc., Miami	640,875	578,591
TranSouth Financial Corp., Florence, S.C.	395,296	342,736
First Union Commercial Corp., Charlotte, N.C.	205,555	158,582
Provident Financial Corp., Columbia, S.C.	93,318	83,015
Genesco Financial Corp., Nashville, Tenn.	48,786	55,656
First Franklin Financial Corp., Toccoa, Ga.	35,557	30,281
SOUTHWEST		
Associates Corp. of No. America, Dallas	6,934,586	5,933,973
John Deere Credit Co., Reno, Nev.	2,871,180	2,800,210
Greyhound Leasing & Financial Corp., Phoenix, Ariz.	1,604,155	1,521,625
Glenfed Financial Corp., Dallas	379,004	N.A.

* — Based on data available from American Banker surveys. (a)— Southeast concentrates on those institutions doing business in Tampa, St. Petersburg and Atlanta. Southwest, those in Dallas, Ft. Worth, Houston and Phoenix.

Top Commercial Lenders *

In the Southeast and Southwest (a)

(Dollar Amounts in Thousands)

	C&I Loans 12/31/85¹	12/31/84¹
SOUTHEAST		
Citizens & Southern National Bank, Atlanta	2,015,974	1,666,179
Southeast Bank NA, Miami	1,721,823	1,782,546
First National Bank, Atlanta	1,399,288	1,109,218
NCNB National Bank of Florida, Tampa	1,104,175	743,584
Trust Company Bank, Atlanta	1,091,192	838,758
Florida National Bank, Jacksonville	931,510	717,716
First Florida Bank NA, Tampa	510,678	435,964
Thrifts		
Florida Federal S&L Assn., St. Petersburg	247,559	165,879
Freedom Savings & Loan Assn., Tampa	193,226	203,043
AmeriFirst Federal Savings & Loan Assn., Miami	116,340	34,231
First Fidelity Savings & Loan Assn., Sanford, Fla.	97,480	58,690
Fortune Federal Savings & Loan Assn., Clearwater, Fla.	88,525	46,929
Home Federal Bank of Fla. FSB, St. Petersburg	45,627	15,606
SOUTHWEST		
RepublicBank Dallas NA	4,551,822	4,129,161
Texas Commerce Bank NA, Houston	4,503,225	4,662,952
InterFirst Bank Dallas NA	3,515,201	3,683,056
First City National Bank, Houston	2,810,288	3,377,182
MBank Dallas NA	2,486,711	2,113,914
Valley National Bank, Phoenix	1,709,044	1,661,923
Allied Bank of Texas, Houston	1,316,519	1,265,121
First Interstate Bank of Arizona NA, Phoenix	1,291,720	1,107,912
Arizona Bank, Phoenix	565,380	514,088
Thrifts		
Sunbelt Savings Association, Dallas	258,201	32,860
Western Savings & Loan Assn., Phoenix	180,626	147,223
First Federal Savings & Loan Assn., Phoenix	133,265	115,573
Vernon Savings & Loan Assn., Tex.	122,128	46,726
San Jacinto Savings Assn., Houston	108,393	60,830
Gill Savings Association, Hondo, Tex.	90,734	51,764

* — Based on data available from American Banker surveys. (a)— Southeast concentrates on those institutions with headquarters or branches in Tampa, St. Petersburg and Atlanta. Southwest, those in Dallas, Ft. Worth, Houston and Phoenix.
¹— Thrift data is as of 9/30/85 vs. 9/30/84.

Photo: Tampa Chamber of Commerce

TAMPA BAY AREA Tremendous growth in what some consider "America's Next Great City" is opening up business opportunities and reshaping the city's skyline. **Page 12**

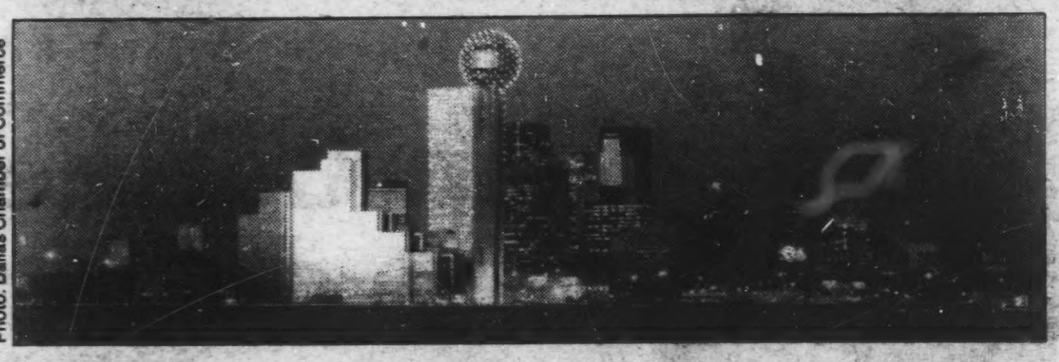

Photo: Dallas Chamber of Commerce

DALLAS/FORT WORTH A shining star in the troubled oil producing state, this Texas metroplex credits its economic strength to diversity. **Page 16**

Photo: Atlanta Chamber of Commerce

ATLANTA A new office tower dominates the skyline of this Sun Belt city, symbolizing Atlanta's stature as one of the five fastest growing U.S. cities with investment opportunities. **Page 18**

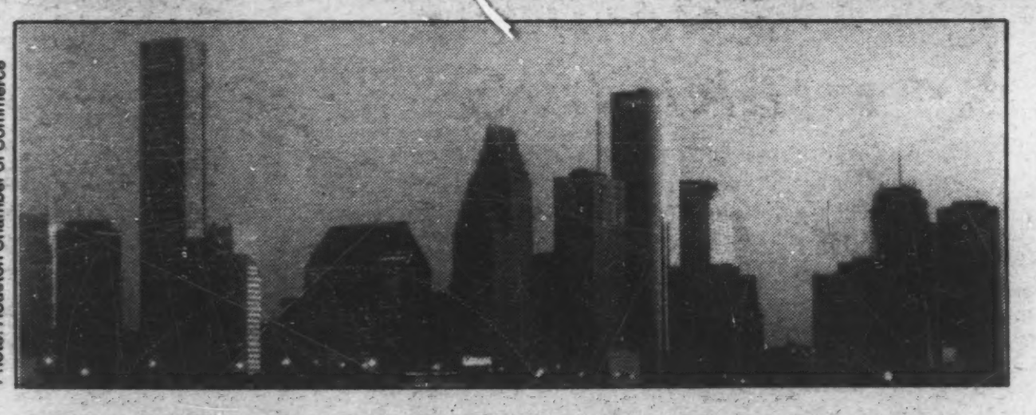

Photo: Houston Chamber of Commerce

HOUSTON Though it is no longer an oasis to lenders, this southern city is burgeoning. **Page18**

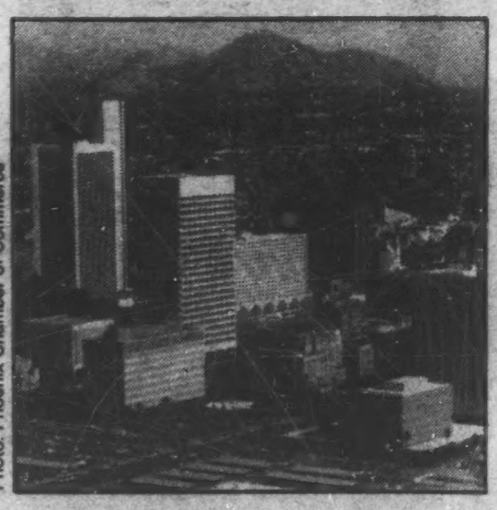

Photo: Phoenix Chamber of Commerce

PHOENIX Safeguarded by a diverse economic landscape, this southwestern city expects to undergo a development cycle that will increase its population, employment, and high-tech industry. **Page 20**